

**GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:2624
ANSWERED ON:18.03.2008
REVIEW OF KVIC PROJECTS
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Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether the Government has reviewed the performance of ongoing projects approved by the Khadi and Village Industries Commission (KVIC) in the country;
- (b) if so, the details thereof as per latest review by standard norms;
- (c) the details of investment made by KVIC during each of the past three years and the results achieved thereunder both in terms of production and employment generation; and
- (d) the details of proposals received from the State Governments and cleared by the Union Government during the current year so far alongwith the tentative allocations made for this purpose State-wise?

Answer

MINISTER FOR MICRO, SMALL AND MEDIUM ENTERPRISES(SHRI MAHABIR PRASAD)

(a) & (b): Performance of various schemes/programmes for promoting and developing khadi and village industries (KVI) sector being implemented by Khadi and Village Industries Commission (KVIC) is periodically monitored and evaluated by the Government from time to time. These schemes are also regularly reviewed in the monthly meetings of the KVIC, chaired by Chairperson, KVIC. Official reviews at national, zonal and State levels are also conducted periodically by KVIC in the meetings attended, inter alia, by the implementing banks and other implementing agencies. Further, KVIC has arranged evaluation of the Rural Employment Generation Programme (REGP), through independent professional agencies, in two phases. In the first phase, evaluation of REGP projects established up to 31.03.2001 was conducted on a sample basis, by drawing a sample of 10,930 projects and in the second phase, evaluation was conducted on projects set up between 01.04.2001 to 31.03.2005, by drawing a sample of 6,364 projects.

(c): KVIC does not make direct investment in projects set up under REGP but provides financial assistance, in the form of margin money, to the entrepreneurs who in turn establish village industry projects, in combination with funds mobilized from banks and own contribution. Details of margin money assistance provided by KVIC, estimated investment made by the entrepreneurs, value of production of village industries and estimated employment generated under REGP, during the last three years are given below:-

Year	Margin Money Assistance(Rs. crore)	Estimated Investment (Rs. crore)	Production(Rs. crore)	Estimated Employment Generated. (lakh persons)
2004-05	292.40	1023.40	1328.74	5.30
2005-06	320.96	1123.35	1411.35	5.68
2006-07	349.79	1399.16	1614.50	5.95

(d): KVIC has taken suo moto action for implementation of projects under REGP by involving the State/Union Territory Khadi & Village Industries Boards (KVIBs), which are agencies of the respective State/Union Territory Government. KVIC allocates targets to various State/Union Territory KVIBs on yearly basis. State/Union Territory KVIB-wise details of allocation of margin money and projects under REGP for 2007-08 are given at Annex.